

Surplus Property and Storage Operations

DESCRIPTION OF MAJOR SERVICES

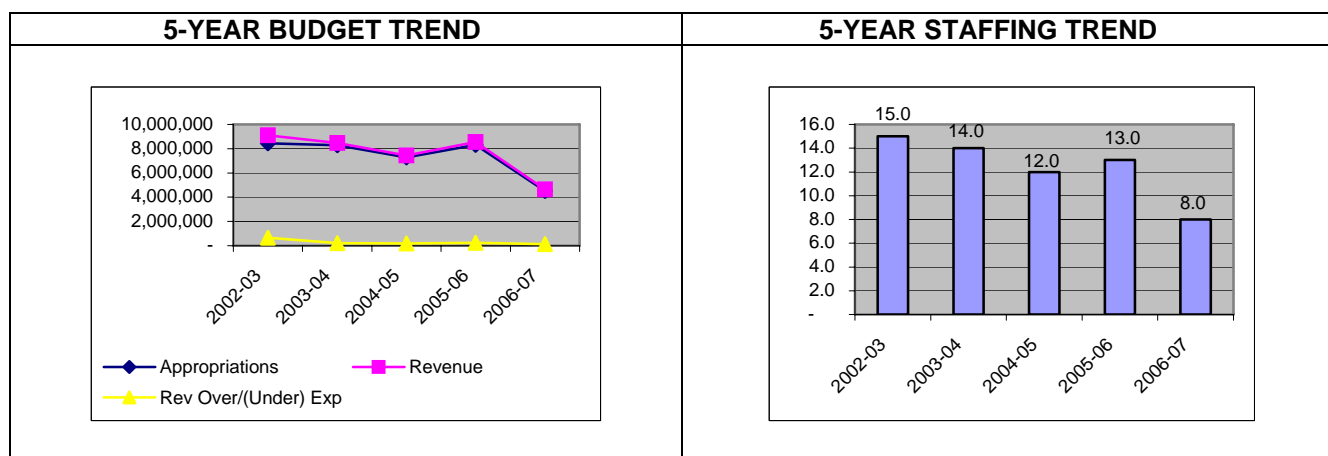
Surplus Property and Storage Operations (formerly known as Central Stores) maintains the surplus property pool, serves as a storage facility for county departments, administers the Office Depot Next Day Desktop Delivery Program, and orders, stocks, and delivers all medical forms to Arrowhead Regional Medical Center (ARMC). The division strives to accurately inventory and fairly distribute surplus property to interested county departments, community-based organizations, and the general public.

During 2006-07, Central Stores will be phased out and the county will move to a "Just In Time" procurement system.

The ARMC Forms Program started in 2004. The program consists of printing, stocking, and delivering medical forms to ARMC. ARMC saves approximately \$30,000 a month by having this function done by Surplus Property and Storage Operations. The Office Depot Next Day Desktop Delivery Program enables departments to order all their office supplies on-line through Office Depot's website, and receive delivery of their order within 24 hours (within the greater San Bernardino area). The top 300 office products used by the county departments receive special "net" pricing, which can be up to 57% off the catalog price.

The Purchasing – Surplus Property and Storage Operations budget unit is an Internal Service Fund (ISF), and as such, all operational costs are distributed to user departments through user rates. As an ISF, unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used as working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

BUDGET HISTORY



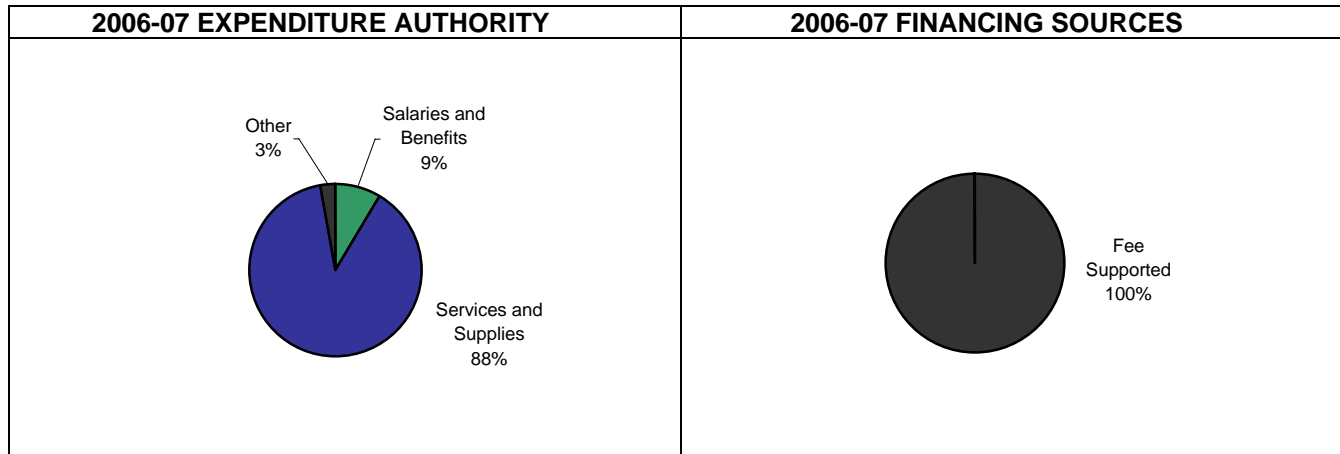
PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	8,605,651	8,013,104	8,636,892	8,315,426	8,550,614
Departmental Revenue	8,549,982	7,703,050	8,929,050	8,559,198	8,856,886
Revenue Over/(Under) Exp	(55,669)	(310,054)	292,158	243,772	306,272
Budgeted Staffing				13.0	
Fixed Assets	23,174		-	10,000	5,500
Unrestricted Net Assets Available at Year End	200,663	107,208	358,204	-	658,976

Estimated revenue and expense in 2005-06 are greater than budgeted by approximately \$230,000 due to an increase in the purchase of supplies countywide.



ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive
 DEPARTMENT: Purchasing
 FUND: Surplus Property and Storage Operations

BUDGET UNIT: IAV PUR
 FUNCTION: General
 ACTIVITY: Surplus and Storage

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
<u>Appropriation</u>							
Salaries and Benefits	536,255	509,318	521,745	476,665	633,728	385,981	(247,747)
Services and Supplies	7,971,398	7,369,451	7,991,863	7,930,986	7,543,369	3,971,919	(3,571,450)
Central Computer	11,009	9,358	14,124	16,615	15,788	14,494	(1,294)
Transfers	86,989	124,977	109,160	121,713	121,714	123,600	1,886
Total Appropriation	8,605,651	8,013,104	8,636,892	8,545,979	8,314,599	4,495,994	(3,818,605)
Depreciation	-	-	-	4,635	4,635	4,094	(541)
Total Requirements	8,605,651	8,013,104	8,636,892	8,550,614	8,319,234	4,500,088	(3,819,146)
<u>Departmental Revenue</u>							
Current Services	8,538,695	7,703,050	8,925,285	8,856,886	8,558,371	4,637,023	(3,921,348)
Other Revenue	11,287	-	3,765	-	-	-	-
Total Revenue	8,549,982	7,703,050	8,929,050	8,856,886	8,558,371	4,637,023	(3,921,348)
Rev Over/(Under) Exp	(55,669)	(310,054)	292,158	306,272	239,137	136,935	(102,202)
Budgeted Staffing					13.0	8.0	(5.0)
<u>Fixed Assets</u>							
Equipment	23,174	-	-	5,500	10,000	-	(10,000)
Total Fixed Assets	23,174	-	-	5,500	10,000	-	(10,000)

In 2006-07, the department will incur increased costs in the MOU, retirement, and inflationary services; and will incur decreased costs in worker's compensation, risk management liabilities, services and supplies, and central computer. These costs are reflected in the Change From 2005-06 Final Budget column, along with changes related to department recommendations.

As part of the county's effort to consolidate services, reduce costs, and move to a "Just In Time" procurement system, Surplus Property and Storage Operations staffing will be reduced by 5.0 positions in 2006-07, both services and supplies and revenue will decrease significantly to reflect the staffing and program changes.

